

may send to us, or replies we may send to you.

(b) Letters should be addressed to: Bureau of the Public Debt, New Treasury Direct, Parkersburg, WV 26106-1328.

**§ 363.6 What special terms do I need to know to understand this part?**

*Account* means a New Treasury Direct account as described in § 363.15.

*Authentication service* means a public or private service that authenticates the identity of an online applicant for a New Treasury Direct account using information provided by the applicant.

*Automated Clearing House (ACH)* means a funds transfer system governed by the Rules of the National Automated Clearing House Association (NACHA). NACHA provides for the interbank clearing of electronic entries for participating financial institutions.

*Beneficiary* refers to the second individual named in the registration of a security held in the New Treasury Direct system registered “John Doe SSN 123-45-6789 POD (payable on death to) Joseph Doe SSN 987-65-4321.” In this example, Joseph Doe is the beneficiary.

*Book-entry security* means a Treasury security maintained by us in electronic or paperless form as a computer record.

*Business day* means any day that security may be settled through ACH.

*Court* means a court of law with jurisdiction over the parties and the subject matter.

*Custodian of a minor account* means a person who opens an account on behalf of the minor. (See § 363.27 for more information about minor accounts.)

*Custom account* means an account that you establish for a specific purpose that is linked to your primary account. You use your primary account as the portal to open and access your custom linked account. (See § 363.15 for more information about custom accounts.)

*Definitive security* means a Treasury security held in paper form.

*De-link* means the online process by which all securities contained within the minor linked account are moved to the minor’s primary New Treasury Direct account and the linked account is deactivated.

*Delivery* means moving a minimum amount of \$25 (consisting of principal

and proportionate interest) of a security held as a gift from the account of the purchaser to the account of the recipient.

*Depository financial institution* means an entity described in 12 U.S.C. 461 (b)(1)(A)(i)–(vi).

*Federal Reserve Bank (Reserve Bank)* means a Federal Reserve Bank or Branch.

*Final maturity of a savings bonds* means the date beyond which an unredeemed savings bonds no longer earns interest.<sup>1</sup>

*Gift* means a Treasury security purchased for or transferred to an intended recipient, without consideration.

*Individual* means a natural person. Individual does not mean an organization, representative, or fiduciary.

*Interest on a savings bonds* means the difference between the principal (par) and the redemption value of the bond.

*Legal guardian* of a minor or incompetent person refers to the court-appointed or otherwise qualified person, regardless of title, who is legally authorized to act for the minor or incompetent individual.

*Legal representative* refers to the court-appointed or otherwise qualified person, regardless of title, who is legally authorized to manage and settle the estate of a decedent. The term includes an executor and an administrator.

*Legally incompetent* means a court has declared an individual to be incapable of handling his or her business affairs.

*Linked account* means an account that is a separate account from your primary account, but connected to your primary account. You use your primary account as a portal to open and access the linked account. (See § 363.15 for more information about linked accounts.)

*Minor* means an individual under the age of 18 years. The term minor is also used to refer to an individual who has attained the age of 18 years but has not yet taken control of the securities contained in his or her minor account.

<sup>1</sup> Series I savings bonds have a maturity period of 30 years, consisting of an original maturity period of 20 years and an extension period of 10 years.

*Minor linked account* means an account that you control on behalf of a minor. You use your primary account as the portal to open and access the minor linked account. (See §§ 363.15 and 363.27 for more information about minor accounts.)

*Online* means use of the Internet.

*Owner* is either a single owner, the first person named in the registration of a security held in the owner with beneficiary form of registration, or the primary owner of a security held in the primary owner with secondary owner form of registration.

*Person* means an entity including an individual, trust, estate, corporation, government entity, association, partnership, and any other similar organization. Person does not mean a Federal Reserve Bank.

*Primary account* means the account that you establish when you first open your New Treasury Direct account; your primary account is the portal used to open and access all your linked accounts. (See § 363.15 for more information about primary accounts.)

*Primary owner* means the first person named in the registration of a security held in New Treasury Direct registered, e.g., “John Doe SSN 123-45-6789 with Joseph Doe SSN 987-65-4321.” In this example, John Doe is the primary owner.

*Principal amount* means the amount of the original investment. Principal amount does not include any interest earned.

*Recipient* means the person to whom a gift is given.

*Redemption of a savings bonds* refers to the payment of principal and interest at final maturity, or prior to final maturity at the option of the owner. The owner may redeem all principal and interest or a portion of the principal and the proportionate amount of interest.

*Redemption value* means principal plus accrued interest of a bond, or a portion of the principal plus a proportionate amount of accrued interest on the bond, as of the date of redemption.

*Registration* or *Registered* means that the name and taxpayer identification number(s) (TIN) of the person(s) named on the security are maintained on our records.

*Secondary owner* means the second person named in the registration of a book-entry security held in New Treasury Direct registered, e.g., “John Doe SSN 123-45-6789 with Joseph Doe SSN 987-65-4321.” In this example, Joseph Doe is the secondary owner.

*Security*, or *Treasury security*, as used in this part, means an obligation issued by Treasury that may be held in New Treasury Direct.

*Series EE savings bond* is an accrual-type savings bond, either in definitive (paper) form or in book-entry form, that pays interest on the principal based on rates determined by Treasury.

*Series I savings bonds* is a savings bonds, either in definitive (paper) form or in book-entry form, that sells at par and pays interest in accordance with a formula that includes a fixed component and a component indexed to the rate of inflation.

*Signature guarantee program* means a signature guarantee program established under 17 CFR 240.17Ad-15, issued under authority of the Securities Exchange Act of 1934. For the purpose of this part, we recognize the Securities Transfer Agents Medallion Program (STAMP), the Stock Exchanges Medallion Program (SEMP), and the New York Stock Exchange, Inc., Medallion Signature Program (MSP). These certifications are acceptable for transfers of securities, but are not acceptable for offline account establishment.

*Single owner* means the person named in the registration of a book-entry Treasury security without a beneficiary or secondary owner.

*Social security account number* or *social security number (SSN)* means the identifying number required on tax returns and other documents submitted to the Internal Revenue Service by an individual. A SSN is composed of nine digits separated by two hyphens, for example, 123-45-6789.

*Taxpayer identification number (TIN)* means the identifying number required on tax returns and other documents submitted to the Internal Revenue Service; that is, an individual's social security number (SSN) or an employer identification number (EIN). A SSN is composed of nine digits separated by two hyphens, for example, 123-45-6789.

An EIN is composed of nine digits separated by one hyphen, for example, 12-3456789. The hyphens are an essential part of the numbers.

*Transaction* is any action affecting Treasury securities or account information.

*Transfer* means moving a minimum amount of \$25 (consisting of principal and proportionate interest) of a security from one New Treasury Direct account to another. The transfer of a specific security may be restricted by the terms of this part that apply to that security.

*We, us, or our* refers to the Bureau of the Public Debt. The term includes the Secretary of the Treasury and the Secretary's delegates at the Treasury Department and Bureau of the Public Debt. The term also includes any fiscal or financial agent we designate to act on behalf of the United States.

*You or your* refers to a New Treasury Direct primary account holder.

[67 FR 64286, Oct. 17, 2002, as amended at 68 FR 24807, May 8, 2003; 69 FR 2507, Jan. 16, 2004]

§§ 363.7–363.14 [Reserved]

**Subpart B—New Treasury Direct System**

**§ 363.15 What is a New Treasury Direct account?**

A New Treasury Direct account is an online account maintained by us solely in your name in which you may hold and conduct transactions in eligible book-entry Treasury securities.

(a) *Primary Account.* Your primary account that you establish when initially opening your New Treasury Direct account may contain the following Treasury securities:

(1) Treasury securities that are your personal holdings, in sole owner, owner with beneficiary, and primary owner with secondary owner forms of registration; and

(2) gifts that have not yet been delivered.

(b) *Linked account.* A linked account is an account that is a separate account from your primary account, but that is connected to your primary account. You use your primary account as a portal to open and access the

linked account. Linked accounts include the following:

(1) *Custom account.* A custom account is an account that is linked to your primary account. You use your primary account as the portal to open and access your custom account. You may informally designate a purpose for the custom account, for example, "vacation fund", or "Johnny's college fund". However, the designation as to purpose has no legal effect; the registration of the securities held in the custom account determines ownership (Annual purchase limitations include securities held in custom accounts). You may use your custom account to buy, redeem and transfer securities that you own in sole owner, owner with beneficiary, and primary owner with secondary owner forms of registration. You may also buy and deliver gift securities from your custom account.

(2) *Minor account.* A minor account is an account established by a custodian for a person who has not yet reached the age of 18 years. A minor account is linked to the custodian's primary account. The minor is the owner of the securities, but the custodian controls the account on behalf of the minor. (See § 363.27 for more information about minor accounts.)

[69 FR 2507, Jan. 16, 2004]

**§ 363.16 Who is eligible to open a New Treasury Direct account?**

In order to open a New Treasury Direct account, you must:

- (a) Have a valid social security number;
- (b) Have a United States address of record;
- (c) Have an account at a United States depository financial institution that will accept debits and credits using the Automated Clearing House method of payment;
- (d) Be 18 years of age or over;
- (e) Be legally competent; and
- (f) Be an individual.

**§ 363.17 How can I open a New Treasury Direct account?**

You must establish a New Treasury Direct account online before you purchase a Treasury security to be held in your account. Instructions for online account establishment may be found at